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JAMES AND FRANKLIN
60 EAST 42ND STREET
SUITE 1217
NEW YORK NY 10165

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OFFICE OF PETITIONS

In re Patent No. 5,924,578 :
Martha McKenzie :
Issue Date: July 20, 1999 : DECISION ON PETITION
Application No. 08/811,772 :
Filed: March 7, 1997 :
Attorney Docket No. MCK-1 :

This is a decision on the PETITION TO ACCEPT UNAVOIDABLY DELAYED PAYMENT OF MAINTENANCE FEE UNDER 37 C.F.R. § 1.378(b) filed April 29, 2011.

The petition is dismissed.

The patent issued July 20, 1999. The first maintenance fee was timely paid without surcharge on July 9, 2003. The grace period for paying the 7-½ year maintenance fee expired at midnight on July 20, 2007, with no payment received. (The window to pay the third maintenance fee closes on July 20, 2011. It is noted that the instant petition includes an authorization to charge any required fees, including the 11 ½ year fee).

On April 29, 2011, the instant petition was filed. The petition included payment of the second maintenance fee (\$1240) and the late surcharge where the delay is unavoidable (\$700). Petitioner states that "[d]espite the institution of several checks in the process, and for an unknown reason which is still being investigated, the information related to the instant patent is not in the new electronic docketing system and the physical file cannot be located."

STATUTES, RULES AND REGULATIONS

35 U.S.C. § 41(c)(1) states that:

The Director may accept the delayed payment of any maintenance fee required ... after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

37 C.F.R. §1.378(b) provides that:

Any petition to accept an unavoidably delayed payment of a maintenance fee must include:

- (1) The required maintenance fee set forth in §1.20(e) through (g);
- (2) The surcharge set forth in §1.20(I)(1); and
- (3) A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

Acceptance of a late maintenance fee under the unavoidable delay standard is considered under the same standard for reviving an abandoned application under 35 U.S.C. 133. Decisions on reviving abandoned applications on the basis of "unavoidable" delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

The word 'unavoidable' ... is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business.

Femspec, L.L.C. v. Dudas, No. (quoting In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 U.S.P.Q. 666, 167-68 (D.D.C. 1963), aff'd, 143 U.S.P.Q. 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913). However, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable." Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987).

A delay resulting from an error (e.g., a docketing error) on the part of an employee in the performance of a clerical function may provide the basis for a showing of "unavoidable" delay, provided it is shown that:

- (1) the error was the cause of the delay at issue;
- (2) there was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance; and
- (3) the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care.

See MPEP 711.03(c)(III)(C)(2) (See also In re Egbers, et al., 6 U.S.P.Q.2d 1869 (Commr. Pat. 1988), rev'd on other grounds sub nom, Theodor Groz & Sohne & Ernest Bechert Nadelfabrik KG v. Quigg, 10 U.S.P.Q.2d 1787 (D.D.C. 1988); In re Katrapat, AG, 6 U.S.P.Q.2d 1863 (Commr. Pat. 1988).

An adequate showing should include (when relevant):

- (1) statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts as they know them;
- (2) a thorough explanation of the docketing and call-up system in use;
- (3) identification of the type of records kept;
- (4) identification of the persons responsible for the maintenance of the system;
- (5) copies of mail ledger, docket sheets, file wrappers and such other records as may exist which would substantiate an error in docketing;
- (6) include an indication as to why the system failed in this instance; and

(7) information regarding the training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

OPINION

The patent issued July 20, 1999. The 7-½ year maintenance fee was due January 20, 2003. The grace period for paying the second maintenance fee with late surcharge expired at midnight on July 20, 2003. The instant petition was filed on August 13, 2007.

Petitioner states that the entire delay in payment of the second maintenance fee was unavoidable. Specifically, petitioner indicates that "for an unknown reason which is still being investigated, ... the information related to the instant patent is not in the new electronic docketing system."

The unavoidable delay standard:

requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. It permits them, in the exercise of this care, to rely upon the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all the other conditions of good faith and promptness in its ratification being present.

Under this standard, a prudent and careful man in ensuring the timely payment of the maintenance fee may rely on a worthy and reliable employee to perform a clerical function. Specifically, a delay resulting from an error (e.g., a docketing error) on the part of an employee in the performance of a clerical function may provide the basis for a showing of "unavoidable" delay, provided it is shown that:

- (1) the error was the cause of the delay at issue;

(2) there was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance; and

(3) the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care.

OPINION

The burden is on petitioner to make an adequate showing of unavoidable delay. Petitioner has not met the burden of establishing that the delay in paying the maintenance fee was unavoidable. The petition alleges docketing error, but does not set forth the specific facts required to meet their burden.

First, petitioner is under a burden to show that the error was the cause of the delay at issue. Petitioner generally indicates that something occurred in the transferring of this file to the new electronic docketing system. However, petitioner is still investigating and does not articulate the exact error relied on to conclude that the delay was unavoidable. Petitioner needs to both identify the specific error and show that it was the cause of the delay in paying the second maintenance fee.

Second, given that the error is not identified, the petition lacks an explanation of the business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance.

Likewise, petitioner has not identified the individual who committed the error. As such, petitioner has not shown that the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care.

If petitioner continues to rely on a showing of docketing error as the basis for concluding that the delay in paying the maintenance fee was unavoidable, any renewed petition should detail the error that led to the failure to timely pay the maintenance fee in this patent, the business routine in place for performing the clerical function that could reasonably be relied upon to avoid errors in its performance, and identify the employee(s) who committed the error and show that the employee(s) was sufficiently trained and experienced with regard

to the function and routine for its performance that reliance upon such employee(s) represented the exercise of due care. As stated above, an adequate showing should include (when relevant):

(1) statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts as they know them;

(2) a thorough explanation of the docketing and call-up system in use;

(3) identification of the type of records kept;

(4) identification of the persons responsible for the maintenance of the system;

(5) copies of mail ledger, docket sheets, file wrappers and such other records as may exist which would substantiate an error in docketing;

(6) include an indication as to why the system failed in this instance; and

(7) information regarding the training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

CONCLUSION

In view thereof, the petition is DISMISSED.

Any request for reconsideration of this decision must be filed within **TWO MONTHS** of the mailing date of this decision. **This period is governed by 37 CFR 1.181(f) and is not extendable.** Any such petition for reconsideration must be accompanied by the \$400 petition fee set forth in § 1.17(h). After decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Director. Accordingly, on request for reconsideration, it is extremely important the petitioner supply any and all relevant information and documentation in order to meet his burden of showing unavoidable delay.

If on request for reconsideration, the delayed payment of the maintenance fee is not accepted, then the maintenance fee and the surcharge set forth in §1.20(i) are subject to refund following the decision on the petition for reconsideration, or after the expiration of the time for filing such a petition for

reconsideration, if none is filed. (Petitioner may request a refund of the maintenance fee and surcharge by writing to the Office of Finance, Refund Section, Commissioner for Patents, Washington DC 20231. A copy of the last decision rendered should accompany the request for refund).


Further correspondence with respect to this decision should be addressed as follows:

By mail: Mail Stop Petition
 Commissioner for Patents
 P.O. Box 1450
 Alexandria, VA 22313-1450

By fax: (571) 273-8300
 ATTN: Office of Petitions

By hand: Customer Service Window
 Randolph Building
 401 Dulany Street
 Alexandria, VA 22314

Telephone inquiries related to this decision should be directed to the undersigned at (571) 272-3219.



Nancy Johnson
Senior Petitions Attorney
Office of Petitions